

# Public Audit and Post-Legislative Scrutiny Committee

## National Fraud Initiative

### Submission from Midlothian Council

#### Response to call for written submissions S97 of Criminal Justice and Licensing Act (Scotland) 2010

- What have been the benefits, financial and otherwise, of putting the National Fraud Initiative on a statutory footing?
  - There has been an improvement in compliance as all bodies are now required to take part in the initiative. The data protection implications are also clearer thus providing assurance to bodies over the sharing of personal information.
  
- Could the legislation be strengthened in any way?
  - Council's investigation powers could be strengthened under the act. The Authorised Officer powers under the Social Security Administration Act 1992 used to allow Benefit Fraud Investigators to request information from employers, financial institutions etc. Following the transfer of benefit fraud investigations to the SFIS, Local Authority Corporate Fraud Investigators no longer have these powers.
  - There is no legislation in Scotland to pursue social housing fraud uncovered by NFI matching. In England, the Prevention of Social Housing Fraud Act 2013 makes subletting and parting with possession of a social housing property a criminal offence.
  
- Should participation in the National Fraud Initiative be improved? Are there any bodies who do not participate in the National Fraud Initiative who should do so?
  - Other bodies that could participate include: Housing Associations and government bodies such as HMRC, DVLA and TV Licensing
  - Matches against Insurance companies' address databases could be used to confirm residence, rather than just claims information.
  
- Are there any other issues you would like to raise in connection to this particular part of the legislation?
  - The NFI exercise requires a lot of resource and returns have been diminishing over past years.